



STAFF REPORT

Meeting Date: June 15, 2005

TO: LAFCO Commissioners

FROM: Everett Millais, Executive Officer

SUBJECT: Final Budget – Fiscal Year 2005 - 2006

RECOMMENDATION:

Adopt the Final Budget for the 2005-06 fiscal year and authorize its transmittal to the County and to each city and special district in the County.

DISCUSSION:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires that each LAFCO adopt a proposed budget by May 1 and a final budget by June 15. The Commission adopted a Proposed Budget on April 20. The Proposed Budget was transmitted to the County and each city and special district in the County for review and comment.

Since adoption of the Proposed Budget, no comments were received, but projected actual expenses and revenues for this fiscal year have been refined and updated. This resulted in a change to the projected Fund Balance and changes to both expenditures and revenues in the recommended Final Budget for FY 2005-06. Overall the recommended Final Budget increased by \$2,200 from the Proposed Budget adopted in April. The effects of this increase on the County, the cities and the special districts are more than offset by an increase in projected revenues for this fiscal year and a resulting increase in Fund Balance available as a financing source for next fiscal year. As in the past, the County Auditor-Controller's office has provided significant help and oversight throughout the budget process.

COMMISSIONERS AND STAFF

COUNTY: Linda Parks, Vice Chair Kathy Long <i>Alternate:</i> Steve Bennett	CITY: Don Waunch John Zaragoza <i>Alternate:</i> Janice Parvin	SPECIAL DISTRICT: Dick Richardson, Chair Ted Grandsen <i>Alternate:</i> George Lange	PUBLIC: Kenneth M. Hess <i>Alternate:</i> Louis Cunningham
EXECUTIVE OFFICER: Everett Millais	LAFCO ANALYST: Kim Uhlich	OFFICE MANAGER/CLERK: Debbie Schubert	LEGAL COUNSEL: Leroy Smith

The hearing to consider the Final Budget is scheduled for June 15. The enclosed Final Budget consists of a Budget Message, the line item budget of expenses and revenues, and the estimated allocation percentages for the 10 cities and 29 independent special districts that together with the County are responsible for the majority of LAFCO's revenue. The estimated allocation percentages are based on the 2002-03 State Controller's Report for cities and the 2001-02 State Controller's Report for special districts. If the State Controller releases new reports by the end of June, the County Auditor-Controller, as required by law, will be using the latest available State Controller information for billing the cities and the independent special districts for their share of LAFCO expenses.

The Final Budget Message has been revised to accurately reflect the recommended Final Budget.



FINAL BUDGET

Fiscal Year 2005-2006

As Recommended for Adoption on June 15, 2005



BUDGET MESSAGE

Recommended Final Budget - Fiscal Year 2005-2006

Meeting Date: June 15, 2005

Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 *et seq.*) (CKH) requires each Local Agency Formation Commission (LAFCO) to adopt a Proposed Budget by May 1 of each year and a Final Budget by June 15 of each year. The Ventura LAFCO held a public hearing on April 20, 2005 and adopted a Proposed Budget for Fiscal Year (FY) 2005-06. A public hearing to consider action on a Final Budget for FY 2005-06 has been scheduled for June 15, 2005. Once adopted, the Final Budget will be used by the County Auditor-Controller to collect revenues as necessary from the County, cities and the independent special districts.

The Ventura LAFCO Commissioner's Handbook, the compendium of the Ventura LAFCO's policies and procedures, contains budget policies in Section 2.3.1 *et seq.* This Recommended Final Budget was prepared in accordance with these policies. Major goals continue to be minimizing expenditures while fulfilling basic functions, and to provide for effectively and efficiently complying with mandates.

LAFCO and the County of Ventura entered into a Memorandum of Agreement effective July 1, 2001. While LAFCO is an independent agency, the Memorandum of Agreement provides for the County to provide personnel, support services, offices and materials as requested by LAFCO. All of the personnel, support services, offices and materials to be requested of the County for FY 2005-06 are part of this Recommended Final Budget. Budget information is formatted using County of Ventura account descriptions and codes.

This Budget Message highlights LAFCO's major responsibilities, reviews the major work accomplishments and budget information for the first three quarters of FY 2004-2005, sets forth a basic work plan for FY 2005-06, and provides background and explanatory information about the anticipated expenditures and revenues in the Recommended Final FY 2005-06 Budget.

Note that this Budget Message and the Recommended Final Budget have been revised since the adoption of the Proposed Budget for FY 2005-06 to reflect new, corrected and updated information.

Major LAFCO Responsibilities

(Asterisk indicates new responsibilities as of January 1, 2001)

- Act on proposals for incorporation of cities; formation, dissolution, consolidation and merger of special districts; and annexation and detachment of territory to and from cities and special districts.
- Establish spheres of influence for cities and special districts.
- Update spheres of influence for cities and special districts every 5 years.*
- Conduct municipal service reviews prior to or in conjunction with the establishment or update of a sphere of influence.*
- Perform special studies relating to services and make recommendations about consolidation, mergers or other governmental changes to improve services and reduce operational costs.
- Act on requests for out-of-agency contracts for extensions of services (now applicable to contracts between two public agencies*).
- Function as either a responsible or lead agency under the California Environmental Quality Act.
- Serve as the conducting authority for the determination of protests relating to proposals for incorporation, formation, and subsequent boundary changes.*
- Provide public information about LAFCO and public noticing of pending LAFCO actions.
- Establish and maintain a web site.*
- Adopt written policies and procedures.*
- Hire an Executive Officer and Legal Counsel.*
- Adopt an annual budget.*

FY 2004-2005 In Review

The following work plan was adopted as a part of the FY 2004-05 budget:

- Complete the second phase of municipal service reviews and, as necessary, sphere of influence updates, and begin the third and final phase of service reviews, consistent with the Service Review and Sphere of Influence Update Work Plan approved and periodically updated by the Commission.
- Maintain and enhance operations with a focus on: communication with the Commission, cities, districts and the public; budget monitoring and information; staff training and development; and, enhanced records management.
- Work with cities as appropriate to initiate island annexations.
- Increase public awareness about the mission, purpose and function of LAFCO.
- Update and revise the Commissioner's Handbook and consider policy additions for watershed protection, agricultural buffers and service extensions.

All of the work plan tasks, except for the update and possible revisions to the Commissioner's Handbook, will be accomplished within budget by the end of this fiscal year. Notably, the second phase of municipal service reviews involving seventeen special districts will be completed by the end of this fiscal year. Also, all the sphere of influence reviews and updates from the first phase of the municipal service review process will be completed by July 30, 2005.

In March 2004 LAFCO contracted with Joyce Crosthwaite to conduct the second phase of municipal service reviews consistent with the adopted work plan. The total amount of this contract was \$65,000, but the contract term extended through December 2004, and, therefore, \$61,430 was encumbered and carried forward into this fiscal year. Ms. Crosthwaite completed most of the municipal service review work under this contract before she took the position of Executive Officer for the Orange County LAFCO in September 2004. All of the work was not done, however, and there is an unspent balance of \$12,640 that is a part of Fund Balance as a financing source for FY 2005-06. The only remaining municipal service review work that LAFCO staff is completing for action by the Commission this fiscal year is the municipal service reviews for the three public cemetery districts in the County.

During the first nine months of FY 2004-05 the ability to fully complete the work plan was impacted first by the maternity leave of the LAFCO Analyst, and then with the position being vacant for almost four months during the recruitment and hiring process for a new LAFCO Analyst. Work on updating and possibly revising the Commissioner's Handbook will start this year, but this work plan task will continue into next fiscal year.

Extra help funds were budgeted to assist in the organizing and archiving of LAFCO files. In order to reduce expenditures, these extra help funds were purposely not used. The need to properly address the long-term storage of LAFCO files dating from 1963 continues. For ease of data retrieval and possible display via the internet, all files should be digitized. Staff continues to organize and archive recent files using the County's server and the Ventura LAFCO web site.

Fiscal Year 2004–2005 was the fourth year that the Ventura LAFCO was required to adopt its own budget, independent of the County, and to address new mandates pursuant to the CKH. As such, LAFCO has been able to use the experience of actual expenditures and revenues from prior years to better establish baselines for discretionary expenditures. Due to the continuing shortfalls in both state and local revenues, LAFCO has continued to use extra fiscal prudence in limiting discretionary expenditures during the year.

Based on information through the end of April 2005, total projected annual expenditures for FY 2004-05 should be approximately \$215,000 (28%) less than the adjusted budget. Salaries and employee benefits are projected to be approximately \$46,000 (12%) less than the adjusted budget, primarily due to not hiring any extra help and to the LAFCO Analyst position being vacant for part of the year. Due to reduced consultant services (Other Professional & Special Service – account code 2199), services and supplies

expenditures are projected to be approximately \$105,000 (33.6%) less than the adjusted budget. Because of these projected actual expenditures being less than the budgeted amounts, no contingency funds will be used.

In addition to expenditures being contained, revenues for FY 2004-05 are now projected to be approximately 2.8% more than the adjusted budget. The County, the cities and the independent special districts all paid their share of the net operating expenditures as apportioned by the County Auditor-Controller pursuant to the CKH. Given applications filed as of the end of May, projected revenues from charges for LAFCO services (account code 9772) are now projected to be approximately \$13,000 (22%) more than the \$60,000 amount budgeted. Interest earnings (account code 8911) are also projected to be approximately \$2,600 (74%) more than the adjusted budget. Thus, projected actual total revenue is approximately \$15,600 (18.6%) more than the adjusted budget. This is a significant change since the Proposed FY 2005-06 Budget was approved in April.

FY 2005-06 Work Plan

The Ventura LAFCO Commissioner's Handbook provides that LAFCO will annually review and adopt a work plan as a part of the budget development process. Given the desire to hold expenditures in check and the continuing uncertainty of local government revenues for the County, cities and special districts, no new work elements are proposed. The work plan recommended for Fiscal Year 2005-06 maintains the focus on municipal service reviews and sphere of influence updates, carries forward the update and possible revisions to the Commissioner's Handbook and is otherwise similar to the work plan for this year.

- Complete the second phase of sphere of influence updates and the third and final phase of municipal service reviews, consistent with the Service Review and Sphere of Influence Update Work Plan approved and periodically updated by the Commission.
- Maintain and enhance operations with a focus on: communication with the Commission, cities, districts and the public; budget monitoring and information; staff training and development; and enhanced records management.
- Work with cities as appropriate to initiate island annexations.
- Increase public awareness about the mission, purpose and function of LAFCO.
- Update and revise the Commissioner's Handbook and consider policy additions for watershed protection, agricultural buffers and service extensions.

Basically this work plan is a continuation of on-going work efforts. The municipal service review and sphere of influence update process will continue to dominate staff time. The work plan is realistic provided the number and/or complexity of proposals filed does not increase significantly.

Expenditures

The expense portion of the budget is divided into three main sections, the Salary and Employee Benefits section (1000 series account codes), the Services and Supplies section (2000 series account codes), and Contingencies (account code 6101). The Recommended Final Budget for FY 2005-06, in comparison with the FY 2004-05 Adopted Budget, reflects an overall expenditure increase of approximately 2.9%. In comparison with the FY 2004-05 Adjusted Budget overall expenditures in the FY 2005-06 Budget will DECREASE by approximately 5.3%.

Salary and Employee Benefits

The Recommended Final Budget reflects an approximate 21% increase in expenditures for salaries and benefits over the FY 2004-05 adjusted budget. This increase is due to an increase in the number of authorized positions, retirement cost increases and budgeting for employee annual leave redemptions (account code 1107). In October 2004 the Commission approved the hiring of a full time LAFCO Analyst and a half time Office Assistant II, based on completing the remaining municipal service reviews by staff and a resulting reduction in professional service (consultant) expenditures. This change in authorized staffing levels is reflected in the following table:

Title	FY 2004 - 05	FY 2005 - 06
Executive Officer	1	1
LAFCO Analyst	.75	1
Office Manager/Clerk of the Commission	1	1
Office Assistant II	0	.5
Total Authorized Positions	2.75	3.5

The Recommended Budget includes prospective merit increases within existing salary ranges and a 3% cost of living adjustment for all allocated positions as of January 2006 (i.e. for one-half of the fiscal year). Cost of living adjustments would automatically occur based on action by the Board of Supervisors relating to management, confidential clerical and other unrepresented County employees. If the Board of Supervisors does not authorize any cost of living adjustments for management, confidential clerical and other unrepresented County employees during FY 2005-06, then no such adjustments will occur for the LAFCO positions.

Last fall the Commission requested the County Human Resources Director to conduct a salary and benefit survey for the Executive Officer position. Surveys were distributed to the "urban" LAFCOs, with focus on southern California. The survey results are being provided to the Commission separately, but basically indicate that the combined salary and benefits for the Executive Officer position are currently "at market." Thus, the Recommended Budget does not provide for any salary range adjustment for the Executive Officer position. Separately, there have been initial discussions with the County's Human Resources Director about tying one or more of the LAFCO staff classifications to one or more of the County's benchmark positions. If this were to be done, based on future Commission approval, it would obviate the need for periodic and difficult salary and benefit surveys for the authorized LAFCO positions, and could be a

way of assisting the Commission in ensuring that the authorized positions remain competitive in the broader labor market. Recommendations about tying the LAFCO classifications to other County benchmark positions for the purposes of salary range adjustments will be a matter for future Commission consideration. Depending on actions taken by the Commission, this could result in increases to salary and benefit expenditures during the year.

The Recommended Final Budget substantially reduces the amount budgeted for Extra Help. No Extra Help funding has been used in prior years, but as municipal service reviews are completed some modest use of Extra Help may be appropriate. Thus, \$5,000 is recommended for Extra Help in FY 2005–06. As in prior years, however, the discretion to use this funding is up to the Executive Officer and the expectation that fiscal prudence be maintained throughout the year will be part of the determination on the use of these funds.

Services and Supplies

The Recommended Final Budget for supplies and services is approximately 25% less than the Adopted Budget for the current fiscal year. This decrease is almost entirely due the decrease proposed for professional services (account code 2199). Because the number of authorized positions was increased, more work will be done in-house with a corresponding decrease in the use of consultants. The amount being recommended for professional services includes the prospective cost of having an independent, outside audit prepared in FY 2005-06 for the current fiscal year. Also included is hiring a firm to organize, digitize and archive LAFCO files from the last 40 years, and establishing procedures for the continuous digitizing and archiving of files as they are generated. This is a part of the enhanced records management portion of the recommended work plan.

Other major changes to expenditures for Services and Supplies are:

- An increase in Indirect Cost Recovery charges (account code 2158). These cost recovery charges are for County services provided primarily by the Auditor-Controller and County Executive Office, including Human Resources, in past years. In FY 04-05 LAFCO actually received a credit of \$18,569 (revenue account code 9411). For FY 05-06 the Auditor has indicated the charge will be \$13,829. This is a one-year change of \$32,398. The Auditor's staff has indicated that this fairly represents costs accrued by LAFCO under the County's indirect cost recovery system for services provided two years ago by various County agencies and departments, including overage charges for County Counsel services.
- A decrease in costs for computers and related software that is reflected in Miscellaneous Office Expenses and the line items for computer leasing (account codes 2179, 2273 and 2293). In the fall of 2004 the leases for the computers in the LAFCO office ended and were not renewed. New computers and monitors were purchased and this has resulted in an overall cost saving.
- A decrease in the charges for County GIS expenses (account code 2214) of approximately \$6,600. LAFCO boundary and sphere maps are maintained in GIS

format and the LAFCO staff consistently and increasingly uses County GIS data. The decrease in costs results from the costs for use and maintenance of the County GIS servers and data being spread to more County and other public agencies.

- An increase in conference and seminars expense (account code 2523) to provide for all Commissioners to attend the CALAFCO Annual conference in Monterey in September, and to allow for staff to attend the CALAFCO Staff Workshop, projected to be in Redding in the spring of 2006, and at least one focused training session.

Contingencies

The Commission's budget policies indicate that the budget should provide for contingencies equaling 10% of total expenses. Thus, as the overall expenditures changes, the amount to be budgeted for contingencies changes. The Recommended Final Budget contains \$65,749 for contingencies. This is a \$1,884 (2.9%) increase from FY 04-05 and represents almost exactly 10% of the combined Salary and Employee Benefits and Services and Supplies expenditures (\$657,477).

Financing Sources

Sources of Financing consist of Fund Balance (account code 5040), Designation for Subsequent Year Financing (account code 5070), Miscellaneous Revenues, including interest earnings and charges for services (e.g. account codes 8911 and 9772), and Other Governmental Agencies, the revenue to be collected from the County, cities and independent special districts (account code 9372).

Fund Balance

Section 56381(c) of the CKH provides, "If, at the end of the fiscal year, the commission has funds in excess of what it needs, the commission may retain those funds and calculate them into the following fiscal year's budget." Approximately \$285,852 is now projected to be available at the end of the fiscal year as Fund Balance. This is a direct result of FY 2004-05 expenditures being less than projected and revenues being more than projected. The retention of these funds reduces the amount of revenue needed to be collected from other governmental agencies for FY 2005-06.

Designation for Subsequent Year Financing

If, after the close of a fiscal year, there are funds in excess of the amount budgeted for Fund Balance, the Commission has authorized the transfer of these funds to "Designation for Subsequent Year Financing (account code 5070). In January 2005 after the close of the 2003-04 fiscal year, \$55,205 was available in addition to what had been budgeted as Fund Balance for FY 2004-05 and was Designated for Subsequent Year Financing.

Consistent with prior year budgets and actions, the Commission, as a part of its action on the Proposed Budget in April, authorized the transfer of the \$55,205 Designated for Subsequent Year Financing to Fund Balance. This action makes this amount available for use as a financing source in FY 2005-06, and, therefore, helps to reduce the amount of revenue necessary to be collected from other governmental agencies.

Miscellaneous Revenue

Miscellaneous revenues include interest earnings, reimbursement for the Executive Officer to serve as Deputy Executive Officer of CALAFCO and charges for service, primarily application fees. The Recommended Final Budget reflects \$70,000 in revenue from LAFCO application fees (account code 9772). This is \$10,000 more than the amount budgeted in FY 2004-05, but is consistent with FY 2004-05 projected revenue from fees and remains a conservative/pessimistic projection. No significant changes in the number or type of future applications are known at this time that would affect next fiscal year's application fee revenue. An increase in either the number or the complexity of proposals filed will increase revenues.

The Commission has a policy to annually review the LAFCO fee schedule as a part of the budget process. The existing fee schedule has been in effect since August 2004. Staff will be recommending some modest changes to the fee schedule for action by the Commission in July 2005. While raising fees may increase revenues somewhat, it is unlikely that any fee increases would significantly alter the overall budget.

Revenues from Other Governmental Agencies (the County, Cities and Independent Special Districts)

Pursuant to the CKH, costs for LAFCO operations, net of charges for service, are apportioned one-third to the County, one-third to the cities, and one-third to the independent special districts. The CKH describes how the County Auditor-Controller is to make this apportionment and collect revenues once LAFCO adopts a Final Budget.

Expenditures are projected to decrease by approximately 5.3% overall in comparison to the adjusted budget, but the amount of revenue projected to be collected from the County, cities and independent special districts has DECREASED approximately 23.5%. This large decrease is primarily due both to reduced expenditures and the difference between Fund Balance and Designation for Subsequent Year Financing from FY 2004-05 to FY 2005-06. Decreases of this size cannot realistically be maintained year after year.

The table on the next page shows how the amount of revenue from Other Governmental Agencies (the County, cities and independent special districts) has fluctuated since LAFCO first adopted an independent budget in June 2001.

Year	Adopted Budget – Total Finance Sources & Revenue	Revenue from Other Governmental Agencies	Percent of Total Revenue from Other Governmental Agencies
FY 2001-02	\$548,737	\$468,737	85%
FY 2002-03	\$719,131	\$568,503	79%
FY 2003-04	\$641,215	\$390,699	61%
FY 2004-05	\$702,503	\$472,997	67%
FY 2005-06¹	\$723,226	\$361,874	50%

Included with this Recommended Budget are the percentage shares of the Other Governmental Agencies revenue for each of the cities based on the 2002-2003 State Controller Report for cities and for the independent special districts based on the 2001-2002 State Controller Report for special districts. These are the most current State Controller Reports available. If the State Controller issues updated reports for either cities or special districts, or both, before the Final Budget is adopted, the County Auditor-Controller will update the percentage share allocations. Once LAFCO adopts a Final Budget the law requires the County Auditor-Controller to use the latest available State Controller Report as the basis for collecting revenue from cities and independent special districts.

The CKH continues to provide the ability for the independent special districts in each County to determine an alternate apportionment method. Should the independent special districts adopt an alternate apportionment method consistent with the law and present it to the County Auditor-Controller prior to the adoption of the Final Budget in June, such an alternate apportionment method would be the basis for collecting the special districts share of net expenditures.

Conclusion

The Ventura LAFCO is continuing to exercise fiscal prudence. Mandates are being met and basic services provided with a minimum of staff and by holding the line on discretionary expenditures. The Commission continues to understand the economic realities of the time and the current constraints on local government revenues. The Commission's budget record reflects fiscal responsibility in both budgeting and overseeing actual expenditures. The Recommended Final Budget for 2005-06 was prepared and is being recommended in keeping with these practices.

Respectfully submitted,

Everett Millais
Executive Officer

¹ For FY 2005-06 all amounts are from this Recommended Budget, revenue is projected, not actual

VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
Recommended Final Budget FY 2005 - 2006

Account Code	Adopted Budget FY 04-05	Adjusted Budget FY 04-05	Projected Actual FY 04-05	Approved Proposed Budget FY 05-06 (4/20/05)	Recommended Final Budget FY 05-06 (6-15-05)	Adopted Budget FY 05-06 (6-15-05)
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EXPENDITURES

Salaries and Employee Benefits

Regular Salaries	1101	223,724	223,724	212,000	259,152	259,152	259,152
Extra Help	1102	25,000	25,000	0	5,000	5,000	5,000
Supplemental Payments	1106	11,044	11,044	7,453	11,875	11,875	11,875
Term/Buydown	1107	0	0	2,334	18,803	18,803	18,803
Retirement Contribution	1121	44,137	44,137	34,500	73,679	73,679	73,679
OASDI Contribution	1122	12,148	12,148	11,400	14,400	14,400	14,400
FICA-Medicare	1123	3,404	3,404	3,250	3,930	3,930	3,930
POB Debt Sevice	1126	35,642	35,642	38,000	45,528	45,528	45,528
Group Insurance	1141	18,016	18,016	16,500	19,036	19,036	19,036
Life Ins/Dept Heads & Mgt	1142	312	312	410	417	417	417
State Unemployment Ins	1143	845	845	814	1,274	1,274	1,274
Management Disability Ins	1144	1,667	1,667	1,460	2,006	2,006	2,006
Workers Compensation	1165	3,897	3,897	6,130	4,577	4,577	4,577
401k Plan	1171	6,712	6,712	6,340	8,131	8,131	8,131
Total Salaries and Emp. Benefits		386,548	386,548	340,591	467,808	467,808	467,808

Services and Supplies

Telephone Charges - Non ISF	2032	150	150	150	150	150	150
Voice/Data -ISF	2033	2,700	2,700	3,970	4,000	4,000	4,000
General Insur Allocation	2071	1,415	1,415	1,415	1,566	1,566	1,566
Facil/Matls Sq Ft Alloc-ISF	2125	12,900	12,900	12,900	12,700	12,700	12,700
Maintenance	2128	0	0	800	0	0	0
Memberships & Dues	2141	4,500	4,500	3,120	3,500	3,500	3,500
Education Allowance	2154	3,000	3,000	300	1,000	3,000	3,000
Indirect Cost Recovery (County Cost Allocation Plan charges)	2158	0	0	0	13,829	13,829	13,829
Books & Publications	2172	250	250	350	400	400	400
Office Supplies	2173	2,700	2,700	2,700	3,500	3,500	3,500

VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
Recommended Final Budget FY 2005 - 2006

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Services and Supplies Cont.

Mail Center-ISF	2174	7,000	7,000	7,000	7,500	7,500	7,500
Purchasing Charges-ISF	2176	1,000	1,000	500	1,000	1,000	1,000
Graphics Charges-ISF	2177	6,500	6,500	4,000	6,500	6,500	6,500
Copy Machine Chgs-ISF	2178	2,000	2,000	2,000	2,000	2,000	2,000
Misc Office Expense	2179	10,000	9,930	6,000	5,000	5,000	5,000
Board Member Fees	2191	4,000	4,000	4,000	4,500	4,500	4,500
Information Technology	2192	1,900	1,900	1,600	2,100	2,100	2,100
Public Works Charges	2197	25,000	25,000	28,000	25,000	25,000	25,000
Other Prof & Spec Service	2199	80,000	141,430	60,000	30,000	30,000	30,000
GSA Special Services	2205	0	0	50	600	600	600
County GIS Expense	2214	18,405	18,405	22,000	11,824	11,824	11,824
Public And Legal Notices	2261	5,500	5,500	8,000	6,500	6,500	6,500
IBM PC Leasing	2273	1,170	1,170	1,170	0	0	0
Computer Equipment <5000	2293	15,000	15,000	8,200	0	0	0
Spec Dept xo4(Assessor/Legal Cou	2304	25,000	25,000	12,000	20,000	20,000	20,000
Private Vehicle Mileage	2522	6,000	6,000	6,000	6,500	6,500	6,500
Conference & Seminars Expense	2523	16,000	16,000	12,000	18,000	18,000	18,000
Total Services and Supplies		252,090	313,450	208,225	187,669	189,669	189,669
Contingencies							
Contingencies	6101	63,865	63,865	0	65,549	65,749	65,749
Total Contingencies		63,865	63,865	0	65,549	65,749	65,749
TOTAL EXPENDITURES		702,503	763,863	548,816	721,026	723,226	723,226

VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
Recommended Final Budget FY 2005 - 2006

Account Code	Adopted Budget FY 04-05	Adjusted Budget FY 04-05	Projected Actual FY 04-05	Approved Proposed Budget FY 05-06 (4/20/05)	Recommended Final Budget FY 05-06 (6-15-05)	Adopted Budget FY 05-06 (6-15-05)
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FINANCING SOURCES

Fund Balance	5040	145,367	206,797	262,002	232,257	285,852	285,852
Designation for Subsequent Year Financing	5070	0	0	0	55,205	0	0
Miscellaneous Revenue							
Interest Earnings	8911	3,500	3,500	6,100	3,500	3,500	3,500
Other Revenue - Misc. (charges for LAFCO services)	9772	60,000	60,000	73,000	55,000	70,000	70,000
Other Revenue - Misc. (from CALAFCO for E.O. expenses)	9772	2,000	2,000	2,000	2,000	2,000	2,000
Indirect cost Recovery (County cost Allocaton Plan Reimbursmnt)	9411	18,569	18,569	18,569	0	0	0
Total Miscellaneous Revenue		84,069	84,069	99,669	60,500	75,500	75,500
Other Governmental Agencies							
Other Gov't Agencies (County of Ventura)	9372	157,689	157,689	157,689	124,355	120,625	120,625
Other Gov't Agencies (Cities)	9372	157,689	157,689	157,689	124,355	120,625	120,625
Other Gov't Agencies (Indep Special Districts)	9372	157,689	157,619	157,619	124,355	120,625	120,625
Total Other Government Agencies Revenue		473,067	472,997	472,997	373,064	361,874	361,874
Total Revenue		557,136	557,066	572,666	433,564	437,374	437,374
TOTAL FINANCE SOURCES & REVENUE		702,503	763,863	834,668	721,026	723,226	723,226
Projected Fund Balance				285,852			

LAFCO NET OPERATING EXPENSES**GOV'T CODE 56381 (b) (1)****FOR BUDGET YEAR 2005 - 2006****ALLOCATION - CITIES****SOURCE: STATE OF CALIFORNIA, CITIES ANNUAL REPORT, FY 02/03**

CITY	TOTAL REVENUE		PERCENTAGE	ALLOCATION	
	PER REPORT			\$	120,625
1 CAMARILLO	\$ 54,911,279		8.32%	\$	10,036
2 FILLMORE	9,829,903		1.49%		1,796
3 MOORPARK	23,020,953		3.49%		4,208
4 OJAI	7,267,752		1.10%		1,328
5 OXNARD	203,078,410		30.77%		37,117
6 PORT HUENEME	23,020,179		3.49%		4,208
7 SAN BUENAVENTURA	119,810,792		18.15%		21,898
8 SANTA PAULA	21,292,679		3.23%		3,892
9 SIMI VALLEY	66,184,756		10.03%		12,097
10 THOUSAND OAKS	131,555,483		19.93%		24,045
TOTAL	\$ 659,972,186		100.00%	\$	120,625

- (1) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs. The cities share shall be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county, or by an alternative method approved by a majority of cities representing the majority of the combined cities' populations.

LAFCO NET OPERATING EXPENSES
GOV'T CODE 56381.5 (b) (1)

FOR BUDGET YEAR 2005 - 2006

ALLOCATION - SPECIAL DISTRICTS

SOURCE: STATE OF CALIFORNIA, SPECIAL DISTRICTS ANNUAL REPORT, FY02/03

NAME	TOTAL REVENUE PER REPORT	PERCENTAGE (See Note 2)	NEW ALLOCATION \$ 120,625
1 Bardsdale Public Cemetery	\$ 174,613	0.098%	\$ 118
2 Bell Canyon Comm. Services Dist.	320,846	0.181%	218
3 Calleguas Municipal Water Dist.	82,632,128	46.481%	56,067
4 Camarillo Health Care Dist.	2,185,247	1.229%	1,483
5 Camrosa Water Dist.	11,346,404	6.382%	7,699
6 Casitas Municipal Water Dist.	11,572,004	6.509%	7,852
7 Channel Island Beach CSD	2,692,240	1.514%	1,827
8 Conejo Recreation & Park Dist.	12,339,435	6.941%	8,373
9 El Rancho Simi Public Cemetery Dist.	159,283	0.088%	106
10 Fillmore-Piru Memorial Dist.	151,746	0.085%	103
11 Fox Canyon Groundwater Mgmt. Agency	350,612	0.197%	238
12 Hidden Valley Municipal Water Dist.	34,975	0.020%	24
13 Meiners Oaks County Water Dist.	520,714	0.293%	353
14 Montalvo Municipal Impv. Dist.	453,491	0.255%	308
15 Ocean View Municipal Water Dist.	313,467	0.177%	213
16 Ojai Valley Sanitary Dist.	5,567,347	3.132%	3,777
17 Ojai Water Conservation Dist.	4,535	0.003%	3
18 Oxnard Drainage Dist. No. 1	20,258	0.011%	14
19 Oxnard Drainage Dist. No. 2	102,625	0.058%	70
20 Oxnard Harbor Dist.	9,539,349	5.366%	6,473
21 Piru Public Cemetery Dist.	14,065	0.008%	10
22 Pleasant Valley Co. Water Dist.	1,902,346	1.070%	1,291
23 Pleasant Valley Rec & Parks Dist.	5,499,872	3.094%	3,732
24 Rancho Simi Rec & Park Dist.	12,689,477	7.138%	8,610
25 Saticoy Sanitary Dist.	296,984	0.167%	201
26 United Water Conservation Dist.	9,994,461	5.622%	6,781
27 Ventura Co. Resource Conserv. Dist.	42,526	0.024%	29
28 Ventura Port District	5,784,079	3.254%	3,925
29 Ventura River County Water Dist.	1,072,298	0.603%	727
TOTAL	\$ 177,777,427	100.000%	\$ 120,625

(1) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs. The independent special districts share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. An independent special district's total revenue shall be calculated for nonenterprise activities as total revenues for general purpose transactions less aid from other governmental agencies and for enterprise activities as total operating and nonoperating revenues less revenue category other governmental agencies, as reported in the most recent edition of the "Special Districts Annual Report" published by the Controller, or by an alternative method approved by a majority of the agencies, representing a majority of their combined populations.

(2) No independent special district shall be apportioned a share of more than 50 percent of the total independent special district's share of the commission's operational costs, without the consent of the district. The share of the remaining districts shall be increased on a proportional basis so that the total amount for all districts equal the share apportioned by the auditor to independent special districts.

FISCAL YEAR 2005-06 APPROVED BUDGET

Total Expenditures	\$ 723,226
Non-Gov't Revenue	361,352
Operational Costs	<u>\$ 361,874</u>
Net Cost	<u>361,874</u>

District's portion \$ 120,625